

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

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In re:

Mark E. Herman,  
Debtor.

Chapter 7  
BKY 18-40752

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**NOTICE OF SETTLEMENT AND SALE**

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TO: The United States Trustee, all creditors, and other parties in interest.

On June 7, 2019, or as soon thereafter as the transaction may be completed, the trustee will settle a controversy of the estate and sell property of the estate as follows:

The trustee commenced adversary proceeding 18-4134 against Amber Senn and Numeric Trading Company, asserting avoidance claims and turnover under the bankruptcy code and Minnesota state law. The trustee's claims are in connection with transfers of rental income, business interests, royalties, and regarding turnover of royalties and pre-petition artwork created by the debtor. Ms. Senn and Numeric Trading assert certain good and valid defenses to the adversary claims, including that they provided reasonably equivalent value to the debtor in exchange for the transfers. Ms. Senn also asserts an inability to pay a judgment if one were entered for the amount sought in the complaint.

In exchange for a mutual release of all claims and causes of action, along with all rights, title, and interest to the Artwork, Numeric Trading will pay a total of \$52,500 to the bankruptcy estate as follows:

\$10,000.00 within 14 days of an order approving the settlement and sale;

\$11,000.00 by October 1, 2019;

\$11,000.00 by February 1, 2020;

\$11,000.00 by June 1, 2020; and

\$9,500.00 by September 1, 2020

From the total, the trustee will allocate \$12,500 to the sale of the Artwork and \$40,000.00 to settlement of the avoidance claims. This sale and settlement is contingent upon an order granting the trustee's motion for sale free and clear of liens, encumbrances and other interest, docket no. 42.

The trustee believes this is a reasonable price for the Artwork, given the uniqueness of this asset. Finding a buyer of digital art files could be challenging. Also, Mr. Herman could create new

post-petition work, possibly reducing the value of the pre-petition artwork. Also, sale to Numeric Trading saves the bankruptcy estate the expenses related to marketing a sale, negotiating a sale, and commissions related to a sale.

The trustee believes the settlement of avoidance claims is likewise reasonable, given the value defenses and collectability issues.

If Ms. Senn or Numeric Trading default under the terms of this settlement agreement by failing to make a scheduled payment, the trustee will send a notice of default and allow fifteen days to cure the default. Upon a failure to cure a default, the amount due shall be accelerated and the trustee shall be entitled to judgment against Ms. Senn and Numeric Trading for the amount then due and owing.

Ms. Senn and Numeric Trading shall not be allowed to file a claim in the debtor's bankruptcy case. Upon payment of the full settlement, the parties will release each other of all claims and causes of action related in any way to this bankruptcy case and adversary proceeding. Within ten days of receiving the first scheduled payment or within ten days after an order approving this settlement, whichever is later, the parties will file a stipulation of dismissal with prejudice in the adversary proceeding.

For the foregoing reasons, the trustee believes this settlement and sale is in the best interest of the bankruptcy estate.

**OBJECTION: MOTION: HEARING**

Under applicable rules, any objection must be in writing, be delivered to the trustee and the United States Trustee, and be filed with the clerk, not later than 12:00 noon on the day before the above date. If an objection is timely delivered and filed, the court will hold an expedited hearing on the objection with reduced notice of the hearing. The hearing will be scheduled by the trustee with notice by the trustee to the objecting party and the United States Trustee. If an objection is made or an order is required, the undersigned trustee moves the court for such orders as may be necessary and appropriate.

Clerk of Court  
United States Bankruptcy Court  
301 U.S. Courthouse  
300 South Fourth Street  
Minneapolis, MN 55415

United States Trustee  
1015 U.S. Courthouse  
300 South Fourth Street  
Minneapolis, MN 55415

Nauni Manty, Trustee  
Manty & Associates, P.A.  
401 2<sup>nd</sup> Avenue N., Suite 400  
Minneapolis, MN 55401

Dated: May 14, 2019

By: /e/ Nauni Manty  
Nauni Manty, Trustee

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

IN RE: MARK E HERMAN

CASE NO: 18-40752

**DECLARATION OF MAILING  
CERTIFICATE OF SERVICE**

Chapter: 7

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On 5/14/2019, I did cause a copy of the following documents, described below,

Notice of Settlement and Sale

to be served for delivery by the United States Postal Service, via First Class United States Mail, postage prepaid, with sufficient postage thereon to the parties listed on the mailing matrix exhibit, a copy of which is attached hereto and incorporated as if fully set forth herein.

I caused these documents to be served by utilizing the services of BK Attorney Services, LLC d/b/a certificateofservice.com, an Approved Bankruptcy Notice Provider authorized by the United States Courts Administrative Office, pursuant to Fed.R. Bankr.P. 9001(9) and 2002(g)(4). A copy of the declaration of service is attached hereto and incorporated as if fully set forth herein.

Parties who are participants in the Courts Electronic Noticing System ("NEF"), if any, were denoted as having been served electronically with the documents described herein per the ECF/PACER system.

DATED: 5/14/2019

/s/ Nauni Manty

Nauni Manty 230352

401 2nd Ave. N., Suite 400  
Minneapolis, MN 55401  
612 465 0990

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA

IN RE: MARK E HERMAN

CASE NO: 18-40752

**CERTIFICATE OF SERVICE  
DECLARATION OF MAILING**

Chapter: 7

On 5/14/2019, a copy of the following documents, described below,  
Notice of Settlement and Sale

were deposited for delivery by the United States Postal Service, via First Class United States Mail, postage prepaid, with sufficient postage thereon to the parties listed on the mailing matrix exhibit, a copy of which is attached hereto and incorporated as if fully set forth herein.

The undersigned does hereby declare under penalty of perjury of the laws of the United States that I have served the above referenced document (s) on the mailing list attached hereto in the manner shown and prepared the Declaration of Certificate of Service and that it is true and correct to the best of my knowledge, information, and belief.

DATED: 5/14/2019



Jay S. Jump  
BK Attorney Services, LLC  
d/b/a certificateofservice.com, for  
Nauni Manty

401 2nd Ave. N., Suite 400  
Minneapolis, MN 55401

CASE INFO

LABEL MATRIX FOR LOCAL NOTICING  
08644  
CASE 18-40752  
DISTRICT OF MINNESOTA  
MINNEAPOLIS  
TUE MAY 14 13-10-35 CDT 2019

BRIGADOON LLC  
WILFORD GESKE COOK PA  
7616 CURRELL BLVD  
SUITE 200  
WOODBURY MN 55125-2296

HENNEPIN COUNTY ATTORNEYS OFFICE  
HENNEPIN COUNTY ATTORNEYS OFFICE  
A-2000 GOVERNMENT CENTER  
300 SOUTH SIXTH STREET  
MINNEAPOLIS MN 55487-0200

~~EXCLUDE~~

~~MINNEAPOLIS  
301 US COURTHOUSE  
300 SOUTH FOURTH STREET  
MINNEAPOLIS MN 55415-1320~~

BRIGADOON LLC  
7575 GOLDEN VALLEY RD  
MINNEAPOLIS MN 55427-4562

CHRYSLER CAPITAL  
PO BOX 961272  
FORT WORTH TX 76161-0272

GLEN HERMAN  
3110 CHESTNUT STREET N  
107  
CHASKA MN 55318-4594

GURSTEL LAW FIRM PC  
ATTN MARK MILLER  
6681 COUNTRY CLUB DRIVE  
GOLDEN VALLEY MN 55427-4601

HENNEPIN COUNTY  
300 S 6TH STREET  
A-600 GOVERNMENT CENTER  
MINNEAPOLIS MN 55487-0001

HENNEPIN COUNTY ATTORNEY  
200 GOVERNMENT CENTER  
300 SOUTH SIXTH STREET  
MINNEAPOLIS MN 55487-0999

INTERNAL REVENUE SERVICE  
CENTRALIZED INSOLVENCY OPERATIONS  
PO BOX 7346  
PHILADELPHIA PA 19101-7346

KENWOOD FINANCE LLC  
2800 WOOLSEY LANE  
WAYZATA MN 55391-2753

MINNESOTA DEPT OF REVENUE  
COMPLIANCE DIVISION551 BKY SECT  
PO BOX 64651  
ST PAUL MN 55164-0651

PARK NICOLLET  
3800 PARK NICOLLET BLVD  
MINNEAPOLIS MN 55416-2699

PARKER ROSEN LLC AND OR DANIEL N ROSEN  
DAN  
60 SO 6TH STREET  
SUITE 3615  
MINNEAPOLIS MN 55402-4436

ROBERTA LYNNE HERMAN  
8909 66TH AVENUE N  
MINNEAPOLIS MN 55428-1820

STATE OF MINNESOTA  
DEPT OF REVENUE  
PO BOX 64447 - BKY  
ST PAUL MN 55164-0447

US DEPARTMENT OF JUSTICE  
PO BOX 7238  
BEN FRANKLIN STATION  
WASHINGTON DC 20044-7238

~~EXCLUDE~~

~~US TRUSTEE  
1015 US COURTHOUSE  
300 S 4TH ST  
MINNEAPOLIS MN 55415-3070~~

WILFORD GESKE  
ATTORNEYS AT LAW  
7616 CURRELL BLVD 200  
SAINT PAUL MN 55125-2296

WINTHROP WEINSTINE  
CAPELLA TOWER SUITE 3500  
225 S 6TH STREET  
MINNEAPOLIS MN 55402-4601

~~EXCLUDE~~

~~JOHN A HEDBACK  
HEDBACK CARLSON PLLC  
2055 ANTHONY LN S  
STE 201  
ST ANTHONY MN 55410-2637~~

DEBTOR  
MARK E HERMAN  
1820 GIRARD AVENUE SOUTH  
MINNEAPOLIS MN 55403-2943

~~EXCLUDE~~

~~NAUNI JO MANTY  
MANTY ASSOCIATES PA  
401 SECOND AVENUE NORTH  
SUITE 400  
MINNEAPOLIS MN 55401-2097~~

ROBERTA HERMAN  
CO WINTHROP WEINSTINE PA AMH  
225 SOUTH SIXTH STREET SUITE 3500  
MINNEAPOLIS MN 55402-4629